

Hot Topics in Patent Prosecution

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33rd Annual Intellectual Property Institute



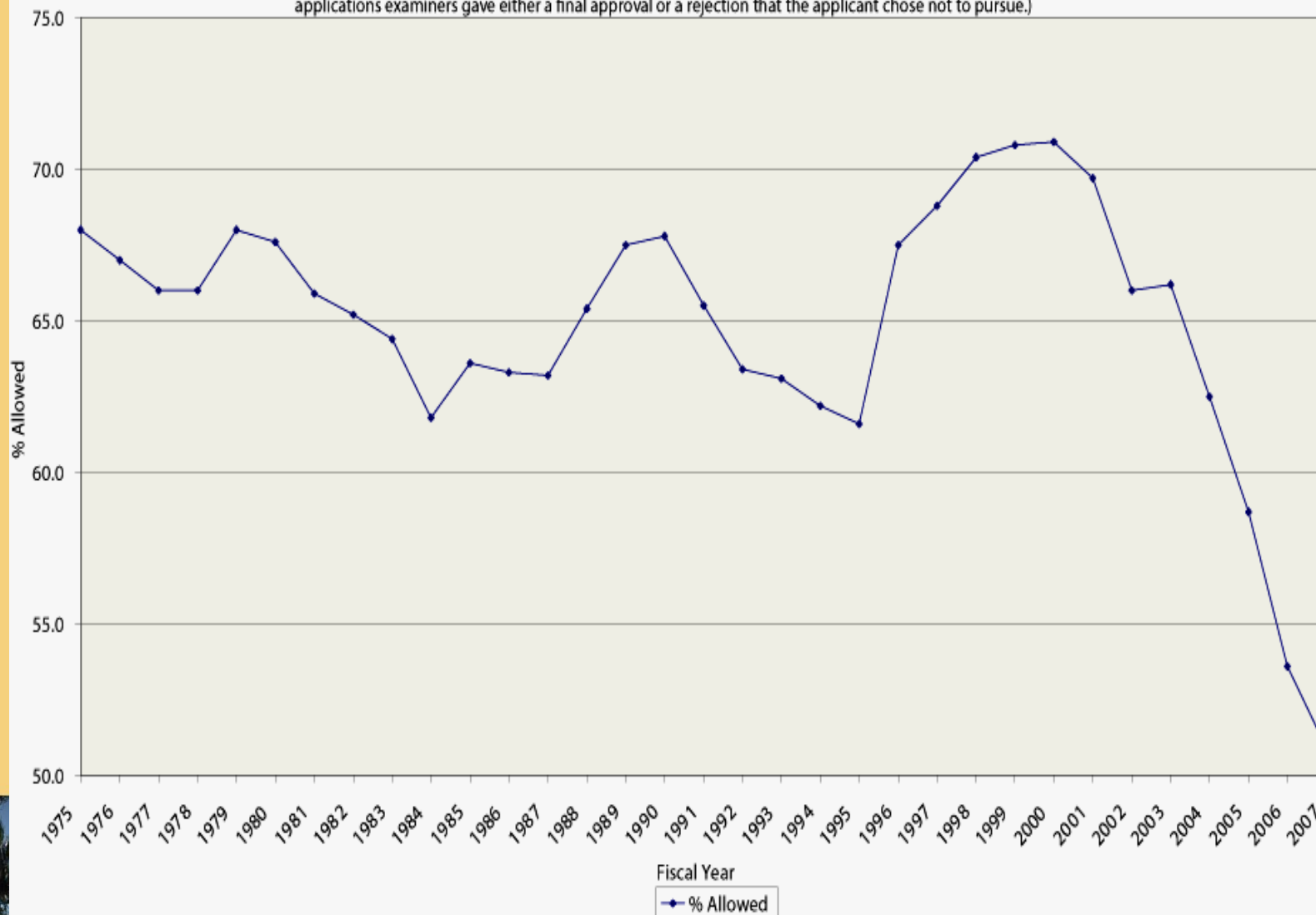
USPTO Today

- Over 460,000 applications filed this year
- Over 750,000 unexamined applications
- Over 6000 patent examiners
- Examiners spend, on average, 21 hours examining an application
 - Historical perspective?
- Average pendency is over 32 months



Allowance Rate

(The Allowance Rate is the percentage of completed applications that were approved by examiners. Completed applications are applications examiners gave either a final approval or a rejection that the applicant chose not to pursue.)



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What is causing the lower allowance rate?

- 2nd pair of eyes?
- Massive hiring?
 - Poor training?
 - Not ready to Examine?
 - Quality of talent in electrical arts
- KSR?



How do I prosecute in this environment?

- Present a detailed claim that you are willing to accept and avoid amending it
 - Prior art search?
- Conduct examiner interviews
 - Inconsistent interview requirements
 - Having the SPE in the interview
 - Agenda for interview
 - Non-committal examiners
 - Examiners with no signing authority
- Be prepared to accept narrower coverage
- Be prepared to go to appeal to get broadest coverage
 - Pre-Appeal Brief Pilot Program Update



What impact will the outcome of the election have on the USPTO?

- New Leadership
 - Change in direction?
 - Same challenges
 - Patent reform legislation



Several Proposed Rule Changes are Pending

- Claims and Continuations (on appeal, oral hearing 12/5)
- IDS Submissions (dead?)
- Markush claims (dead?)
- Appeal Brief requirements (effective 12/10)
 - Extensive
 - \$\$\$\$\$
 - Filing before 12/10



Accelerated Examination

- Change in practice effective August 25, 2006
- Opportunity for final determination in 12 months
- Participation requires:
 - Applicants provide greater information up front – pre-examination search and accelerated examination support document;
 - file application using electronic filing system;
 - agree to interviews
 - Limited number of claims



Accelerated Examination Current Statistics

- As of September '08:
 - 358 applications allowed
 - On average, 182 days to complete prosecution
 - Minimum # of days to complete prosecution: 18
- 69.7% Allowance Rate for FY08
- Participants' response & comments positive



Peer Review Pilot

- 1 year pilot (began June 15, 2007) for members of the public to submit prior art with commentary, using Internet peer review techniques, in volunteered published applications to a public website (www.peertopatent.org)
 - 75 applications volunteered
 - TC 2100 technology only
 - 10 pieces of prior art max per application (avg. was 4)
- Pilot extended 1 year to include Business Methods – Class 705
 - Encourage more participation
 - Technology heavy with Non-patent literature

Worksharing - PPH Statistics

PPH Partner	Type	Start Date	End date	Requests Received (10/1/08)
JPO	pilot	7/3/06	1/3/08	274
JPO	Full	1/4/08		392
UKIPO	pilot	9/4/07	9/4/08 (extended until further notice)	45
KIPO (Korea)	pilot	1/28/08	1/28/09	94
CIPO (Canada)	pilot	1/28/08	1/28/09	4
IPAU (Australia)	pilot	4/14/08	4/14/09	1
EPO	pilot	9/29/08	9/29/09	0



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Wyeth v Dudas (District Court of DC decision September 2008)

The USPTO has been incorrectly calculating patent term adjustment when “overlap” occurs

You May Be Entitled to More PTA



In re Bilski

- En banc decision affecting subject matter eligibility (35 USC 101)
- Bilski claims involved a method of hedging risk in the field of commodities trading
- Applicant conceded claims were not directed to any specific machine or apparatus
- The State Street “useful, concrete, tangible result” test is gone
 - Tone similar to the Supreme Court KSR opinion
- New Test: “Machine or transformation” test



In re Bilski

- “Machine or transformation” test
 - The method/process is tied to a particular machine or apparatus
 - The method/process results in physical transformation of a particular article from one state into a different state



In re Bilski

- Transformation “central” to the claimed purpose
 - Court did a survey of case law to explain “article”
- Patent eligible subject matter
 - Physical objects or substances patent eligible
 - Transformation of data depicting “physical and tangible” objects into a visual depiction of a physical object on a display
- Ineligible subject matter
 - Bilski hedge fund claims did not meet the test because transformation of “public or private legal obligations or relationships, business risks, or other abstractions” are not physical objects or substances
 - Process of graphically displaying variances of data from average value



In re Bilski

- Open Issues with Bilski
 - Did not rule that a business method claim can never be patentable
 - Court did not categorically reject software patents
- Expect to see new examination guidelines from the PTO
- Supreme Court review in the future

